

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF ALTON WATER AND)	
SEWER DISTRICT FOR AN INCREASE OF ITS)	CASE NO. 97-251
CONNECTION FEES FOR WATER AND SEWER)	
SERVICE)	

O R D E R

On May 20, 1997, Alton Water and Sewer District ("Alton") applied to the Public Service Commission ("Commission") for authority to revise its connection fee for new sewer customers from a \$450 tap fee for new customers with an existing pit and \$2,500 for new customers that require a pit to be installed, to a \$2,000 flat fee. Also, Alton requested authority to increase its water tap fee from \$450 to \$600 and to increase its returned check charge from \$15 to \$20.

On June 9, 1997, Alton was inadvertently notified by letter that the minimum filing requirements for its application had been met. On June 13, 1997, Alton was notified by letter of deficiencies in its original filing and to disregard the letter of June 9, 1997. On August 11, 1997, Alton filed a letter with the Commission withdrawing its request to increase the returned check charge and clarifying the sewer connection fee, thereby curing the filing deficiencies in this case.

Alton provided adequate cost justification for the non-recurring charges proposed in the application. Substantial increases in the costs of materials and labor were cited in the application as the basis for the increases.

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds that:

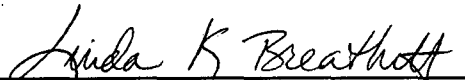
1. The proposed charges are equal to the expenses incurred to provide the associated services.
2. The charges set forth in Appendix A of this Order, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

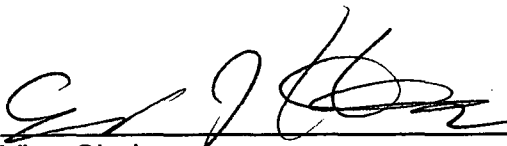
IT IS THEREFORE ORDERED that:

1. The charges in Appendix A are approved for services rendered on and after the date of this Order.
2. Within 30 days of the date of this Order, Alton shall file its revised tariff sheets setting out the charges approved herein.

Done at Frankfort, Kentucky, this 2nd day of October, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 97-251 DATED OCTOBER 2, 1997.

The following rates and charges are prescribed for the customers in the area served by Alton Water and Sewer District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

<u>Water Tap Fee:</u>	\$600
<u>Sewer Tap Fee:</u>	\$2,000